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April 1, 2005

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

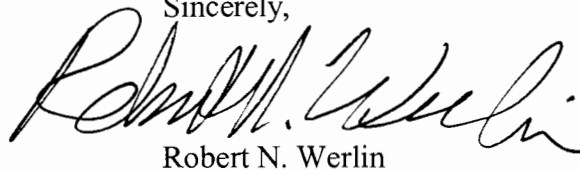
Re: D.T.E. 04-114, Cambridge Electric Light Company and Commonwealth
Electric Company -- 2004 Reconciliation Filing

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced matter are the responses to the
Information Requests set forth on the accompanying list.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert N. Werlin", written in a cursive style.

Robert N. Werlin

Enclosures

cc: Service List

Responses to Information Requests

Information Request DTE-1-1

Information Request DTE-1-3

Information Request DTE-1-7

Information Request AG-1-2

Information Request AG-1-5

Information Request DTE-1-1

Please provide electronic copies of all exhibits in Microsoft Excel format with formulas in cells.

Response

[CONFIDENTIAL ATTACHMENTS]

Please refer to the following attachments for electronic copies of all exhibits in Microsoft Excel format:

Attachment DTE-1-1(a) Exhibits CAM-HCL-2 to CAM-HCL-8
Attachment DTE-1-1(b) Exhibits COM-HCL-2 to COM-HCL-8
Attachment DTE-1-1(c) Exhibit CAM-CLV-1 (Supp)(**CONFIDENTIAL**)
Attachment DTE-1-1(d) Exhibit CAM-CLV-2 (Supp)
Attachment DTE-1-1(e) Exhibit CAM-CLV-3 (Supp)
Attachment DTE-1-1(f) Exhibit CAM-CLV-4 (Supp)
Attachment DTE-1-1(g) Exhibit CAM-CLV-5 (Supp)
Attachment DTE-1-1(h) Exhibit CAM-CLV-6 (Supp)
Attachment DTE-1-1(i) Exhibit CAM-CLV-7 (Supp)
Attachment DTE-1-1(j) Exhibit COM-CLV-1 (Supp)(**CONFIDENTIAL**)
Attachment DTE-1-1(k) Exhibit COM-CLV-2 (Supp)
Attachment DTE-1-1(l) Exhibit COM-CLV-3 (Supp)
Attachment DTE-1-1(m) Exhibit COM-CLV-4 (Supp)
Attachment DTE-1-1(n) Exhibit COM-CLV-5 (Supp)
Attachment DTE-1-1(o) Exhibit COM-CLV-6 (Supp)
Attachment DTE-1-1(p) Exhibit COM-CLV-7 (Supp)

Information Request DTE-1-3

Please refer to Exhibits CAM/COM-CLV at 16-17 and CAM-CLV-2 (Supp).

- (a) Provide complete and detailed documentation, including invoices, and an itemization of the total 2003 Legal Costs - Market Issues and total 2004 Legal Costs - Market Issues found in CAM-CLV-2 (Supp) at 2.
- (b) Explain why these costs are allocated by load for the Companies.
- (c) Explain how each of these costs qualify as transition costs.
- (d) Cite to the location in the Company's restructuring plan where the ability to collect such items in the transition charge is allowed.
- (e) To the extent that any of these items appeared before the Department or the Federal Energy Regulatory Commission ("FERC"), provide the docket number.

Response

[BULK ATTACHMENTS]

- (a) Please refer to Attachment DTE-1-3(a) and Attachment DTE-1-3(b) for invoices supporting "Legal Costs – Market Issues" for the years 2003 and 2004, respectively. Please note that Attachment DTE-1-3(a) and Attachment DTE-1-3(b) each constitute a bulk document.
- (b) The invoices provided in the Attachments referenced in part (a) are total costs for NSTAR Electric. These costs are best allocated among the retail companies according to load because the impact on customers relating to the market issues is dependent on the amount of electricity purchased by retail customers, who will all be affected by the proposed changes in wholesale competitive markets being considered at FERC.
- (c) The legal costs are directly related to generation-market-pricing issues being considered by FERC (e.g., LICAP) that have resulted from electric companies divesting their generation as part of the restructuring of the electric industry. In the absence of such divestiture, customers would not be exposed to the high market costs at issue at FERC, since customers would have access to the Companies' generation assets at regulated rates. As part of the Companies' ongoing responsibility to provide service to its

customers in a least-cost manner, NSTAR Electric views that it has a stewardship responsibility to its customers to ensure that prices are not excessive. Accordingly, NSTAR Electric has intervened at FERC, in some cases working directly with the Attorney General, to protect the interests of customers. All retail electric customers are affected by the outcome of the market-issues litigation through payments for generation to competitive suppliers or through Default (Basic) Service prices, which reflect market prices. The Companies are incurring these legal costs on behalf of their customers to mitigate the transition costs being paid by customers and to ensure that the prices for Default (Basic) Service are reasonable.

- (d) The Companies' Transition Plan obligates it to mitigate generation related costs (Plan at 21). Since legal expenses relating to market issues are being incurred on behalf of customers to mitigate generation related costs, the Companies are entitled to recover these costs. Alternatively, because the impact of the litigation at FERC would directly affect the price of Default (Basic) Service, it would also be a recoverable cost that could be included in rates for Default (Basic) Service.
- (e) The Legal Costs – Markets Issues are incurred relating to the FERC docket number ER03-563-030.

Information Request DTE-1-7

Please refer to Exhibits CAM/COM-CLV at 16-17 and COM-CLV-2 (Supp).

- (a) Provide complete and detailed documentation, including invoices, and an itemization of the total 2003 Legal Costs - Market Issues and total 2004 Legal Costs - Market Issues items found in COM-CLV-2 (Supp) at 5.
- (b) Explain why these costs are allocated by load for the Companies.
- (c) Explain how each of these costs qualify as transition costs.
- (d) Cite to the location in the Company's restructuring plan where the ability to collect such items in the transition charge is allowed.
- (e) To the extent that any of these items appeared before the Department or FERC, provide the docket number.

Response

- (a) – (e) Please refer to the response to Information Request DTE-1-3.

Information Request AG-1-2

Referring to Exhibit CAM-CLV-2 (Supp), p. 2, please provide the invoices for the total in the line titled "2004 Legal Costs - Market Issues."

Response

Please refer to the response to Information Request DTE-1-3, Attachment DTE-1-3(b).

Information Request AG-1-5

Referring to Exhibit CAM-CLV-4 (Supp), p. 4, please provide the invoices for each of the market transactions for the calendar year 2004 expenses shown on that page.

Response

[BULK ATTACHMENT]

Please refer to Attachment AG-1-5(a) for copies of the 2004 invoices supporting the data referenced in Exhibit CAM-CLV-4 (Supp), page 4 in D.T.E. 04-114. Please note that the monthly information provided in Exhibit CAM-CLV-4 (Supp), page 4 includes both estimates for the current month and adjustments to actual for prior months. Actual data are unavailable at month end, and estimates are initially booked for accounting purposes. The estimates are adjusted to actual amounts in subsequent months, when the data become available. The monthly expense included in Exhibit CAM-CLV-4, page 4 is the accounting expense that is recorded on the books for each month. Please refer to Attachment AG-1-5(b) for the worksheets that reconcile the figures in Attachment AG-1-5(a) and Exhibit CAM-CLV-4 (Supp), page 4.

Please note that Attachment AG-1-5(a) constitutes a bulk document.